



REQUEST FOR PROPOSAL FOR THE SUPPLY, IMPLEMENT, MAINTAIN AND SUPPORT OF THE FINANCIAL MANAGEMENT SYSTEM FOR 9 CET COLLEGES FOR A PERIOD OF 60 MONTHS (5 YEARS)

RFP NO : GCETC/HO/01/09/2024
CLOSING DATE: 28 OCTOBER 2024
CLOSING TIME: 12H00

ENQUIRIES REGARDING THE BIDDING PROCEDURE MAY BE DIRECTED TO:

Department:	Finance Department
Contact Person:	Marcia Dibakwane
Tel:	010-900 1173
E-mail address:	MDibakwane@GP.CETC.edu.za

ENQUIRIES REGARDING TECHNICAL INFORMATION MAY BE DIRECTED TO:

Department:	Finance Department
Contact Person:	Mr Patrick Tali
Tel:	043 753 0060
E-mail address:	ptali@ec.cetc.edu.za

NAME OF BIDDER: _____



INDEX

NO.	DESCRIPTION	FORM NUMBER	PAGE NUMBERS
1	Advertisement		3-5
2	Invitation to Bid and Bid Specification/Terms of Reference Form SBD 1	SBD 1	6-7
3	Banking Details		8
4	Specification		9-15
5	Functionality		15-20
6	Tax Clearance Certificate Requirements	SBD 2	21
7	Pricing Schedule – Firm Prices	SBD 3.1	22 - 23
8	Declaration of Interest	SBD 4	25-27
9	Preference Points Claim Form	SBD 6.1	28-32
10	Declaration of Bidder's Past Supply Chain Management Practices	SBD 8	33-34
11	Certificate of Independent Bid Determination	SBD 9	35-37
12	General Specification and Contract Conditions (Gauteng CET College)		38-45
13	General Conditions of Contract		46-56
14	Past Experience in Similar Projects (Other Institutions)		57
15	Past Experience in Similar Projects (Gauteng CET College)		58



BID NOTICE

BID DESCRIPTION	SITES	RFP NUMBER	COMPULSORY BRIEFING SESSION	CLOSING DATE
REQUEST FOR PROPOSAL FOR THE SUPPLY, IMPLEMENT, MAINTAIN AND SUPPORT OF THE FINANCIAL MANAGEMENT SYSTEM FOR 9 CET COLLEGES FOR A PERIOD OF 60 MONTHS (5 YEARS)	Head Office	GCETC/HO/01/09/2024	NONE	28 OCT 2024 CLOSING TIME: 12:00pm

Gauteng CET College invites professional, competent and experienced service providers for the **REQUEST FOR PROPOSAL FOR THE SUPPLY, IMPLEMENT, MAINTAIN AND SUPPORT OF THE FINANCIAL MANAGEMENT SYSTEM FOR 9 CET COLLEGES FOR A PERIOD OF 60 MONTHS (5 YEARS)** Bid documents will be available from the SCM unit and eTenders Portal at www.etenders.gov.za

Completed Bid documents are to be placed in a sealed envelope endorsed “**REQUEST FOR PROPOSAL FOR THE SUPPLY, IMPLEMENT, MAINTAIN AND SUPPORT OF THE FINANCIAL MANAGEMENT SYSTEM FOR 9 CET COLLEGES FOR A PERIOD OF 60 MONTHS (5 YEARS).(BID NUMBER)**” and must be deposited in the bid box/tender box, situated at the reception area, at **100 NORTHERNPARK WAY, CROWNWOOD OFFICE PARK,ORMONDE, 2091 1st Floor Block D Crown wood Office Park** not later than **12h00 on Monday 28 October 2024**, at which time the Bids will be opened in public.

The following mandatory documents must be submitted with the tender document and failure to submit will lead to the bids being declared non-responsive:

- Valid tax clearance certificate and tax compliance status documents with pin from SARS must be attached.
- A copy of business entity registration certificate e.g. CK Document
- A certified ID copy/s of company directors.
- A company profile with completed projects for similar work and contactable references.
- Municipal Statement of account not older than three (3) months or Lease agreement if renting premises stating that the bidder is not obliged to pay municipal rates or letter from Ward Council confirming proof of address (rural areas bidders only)
- **Proof of registration with Central Supplier Database (CSD) must be attached.**
- **Detailed Pricing schedule on a company letterhead** (If the Bid Sum (amount in words) as per the SBD.1 differs from the SBD 3.1, it will automatically invalidate the offer submitted).
- **The bidder must be a registered partner with the Software Vendor, failing which the bidder will be disqualified. Proof of such a valid and active registration must be provided.**
- **Bidders must submit a certificate authorizing the bidder to protect information as prescribed in terms of the Protection of Personal Information Act, No.4 of 2013 and Regulations promulgated thereunder (“POPI Act”).**
- **Bidders must submit any other licenses or certificates applicable to the services required authorizing bidders to provide such services. Failure to submit the certificates/licenses will result in the bid being disqualified.**
- **Bidders must have an ISO 27001 certification for managed information security as part of the submission.**



Please note the following:

- Tender documents must be completed with non-erasable ink. Any tender document completed with pencil will not be acceptable and shall be disqualified.
- Ensure that there are no errors or omissions as this may lead to bids being declared nonresponsive.
- The submission should be entirely legible. Any changes made to the original text of bid should be crossed through and signed for.
- **DO NOT USE CORRECTION FLUID** as this may invalidate your submission.

Evaluation Criteria for this procurement will be as follows:

- **Stage 0 – Pre-qualification (Compliance to mandatory requirements as listed above).** The college will only consider a bid if the relevant bidder meets the pre-qualification criteria mentioned above. Where a bidder fails to meet the pre-qualification criteria, the bid will be considered an unacceptable bid and will be disqualified from further evaluation.
- **Stage 1 – Technical Evaluation: Mandatory Technical Requirements**
- **Stage 2 – Technical Evaluation: Functionality (Attached)**
- **Stage 3 - Price and Specific goals**

NB: all bidders should at least obtain a minimum of 80% in stage 1 (functionality) in order to qualify for stage 3 (Price Evaluation).

Price Points	= 80
Specific goals	= <u>20</u>
TOTAL	=100

“On the 04 November, the minister of Finance gazetted new Preferential Procurement Regulations (2022 Regulations) under the Preferential Procurement Policy Framework act, 2000 (PPPFA), this was aimed at aligning the regulations to the February 2022 Constitutional Court judgement. That judgement ruled that the Minister exceeded his powers in prescribing the 2017 Regulations. The Public Procurement Bill is being finalized, which will empower the Minister of Finance to set preferential procurement, the 2022 Regulations repeal the 2017 Regulations and take effect on the 16 January 2023”



SPECIFIC GOAL POINTS BREAKDOWN

SPECIFIC GOALS	PREFERENCE POINTS ALLOCATED OUT OF 20	DOCUMENTATION TO BE SUBMITTED BY BIDDERS TO VALIDATE THEIR CLAIM FOR POINTS
Black ownership: An EME or QSE which is at least 51% owned by black people	4	• CIPC (Company registration) • CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Women ownership: An EME or QSE which is at least 51% owned by women	4	• CIPC (Company registration) • CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Youth ownership: An EME or QSE which is at least 51% owned by youth (up to 35 years of age)	4	• CIPC (Company registration) • CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Disability: An EME or QSE which is at least 51% owned by people with disability	4	• CIPC (Company registration) • CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points) • Medical certificate • SASSA registration or confirmation of disability from a relevant authority.
Locality: Located in the South Africa	4	• Municipal rates account OR • Letter from councilor confirming residence or Lease Agreement
Non – submissions	0	• No points will be claimed if the bidders failed to submit the required documents

BIDDERS SHOULD TAKE NOTE OF THE FOLLOWING BID CONDITIONS:

- Gauteng CET College Supply Chain Management Policy will apply;
- Gauteng CET College does not bind itself to accept the lowest bid or any other bid and reserves the right to accept the whole or part of the bid;
- Bids which are late, **incomplete, unsigned** or submitted by facsimile or electronically, will not be accepted;



- Bids submitted are to hold good for a period of **120 days**;



Enquiries should be directed to:

Ms M Dibakwane **Email:** MDibakwane@GP.CETC.edu.za **Tel:** 010-900 1173 (**Bidding process**)

Mr. P. Tali **Email:** ptali@ec.cetc.edu.za **Tel:** 043 753 0060 (**Technical queries**)



SBD1

INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR THE UNDERMENTIONED
REQUIREMENTS OF THE GAUTENG CET COLLEGE

RFP NUMBER: GCETC/HO/01/09/2024

CLOSING DATE: 28 October 2024

CLOSING TIME: 12H00

TENDER DESCRIPTION: REQUEST FOR PROPOSAL FOR THE SUPPLY, IMPLEMENT, MAINTAIN AND
SUPPORT OF THE FINANCIAL MANAGEMENT SYSTEM FOR 9 CET COLLEGES FOR A PERIOD OF 60 MONTHS
(5 YEARS).

As more fully set out in the annexure to this form which contains the specific specifications and /or terms of
reference for the aforesaid requirements.

BID DOCUMENTS MUST BE DEPOSITED IN THE BID BOX SITUATED AT:

Gauteng CET College
100 Northernpark Way,
Crownwood Office Park,
Ormonde,
2091

Bidders should ensure that bids are delivered timeously to the correct address. If the bid is late, it will **not** be accepted
for consideration.

The College does not accept any responsibility for the late submission of bids nor for the placement of a bid in the bid box.

The bid box is only open between 08h00 to 16h30, Mondays to Fridays excluding public holidays.

ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS WHICH MAY NOT BE RETYPED.
THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT AND THE
PREFERENTIAL PROCUREMENT REGULATIONS, 2022, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND,
IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT

🔒 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE

🔒 THE FOLLOWING PARTICULARS MUST BE FURNISHED FAILURE TO DO SO MAY RESULT IN THE BID BEING DISQUALIFIED.	
NAME OF THE BIDDER	
POSTAL ADDRESS	
STREET ADDRESS	



TELEPHONE NUMBER	CODE: NO.
CELLPHONE NUMBER	
FAX NUMBER	CODE: NO.
EMAIL ADDRESS	
VAT REGISTRATION NO.	

HAS AN ORIGINAL AND VALID TAX CLEARANCE CERTIFICATE BEEN SUBMITTED? (SBD 2)

YES	NO
-----	----

HAS SPECIFIC GOALS STATUS BEEN COMPLETED?? (SBD 6.1)

YES	NO
-----	----

(A SPECIFIC GOALS STATUS LEVEL VERIFICATION CERTIFICATE MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR SPECIFIC GOALS)

ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS / SERVICES / WORKS OFFERED?

YES	NO
-----	----

(IF YES ENCLOSE PROOF)

DID YOU ATTEND THE COMPULSORY BRIEFING SESSION OR SITE MEETING, IF APPLICABLE

YES	NO
-----	----

SIGNATURE OF BIDDER _____

DATE: _____

CAPACITY UNDER WHICH THIS BID IS SIGNED _____

TOTAL BID PRICE: R_____

TOTAL BID PRICE IN WORDS:

TOTAL NUMBER OF ITEMS OFFERED _____



DETAILS OF TENDERING ENTITY'S BANK ACCOUNT

I/We hereby authorize the Employer/Client to approach all or any of the following bank/s for the purposes of obtaining a financial reference:

DESCRIPTION OF BANK DETAIL	BANK DETAILS APPLICABLE TO TENDERER'S HEAD OFFICE
Name of bank	
Branch name	
Branch code	
Name of Account Holder	
Account number	
Type of Account	

Signature of Tenderer: _____

Date: ____/____/20____



TERMS OF REFERENCE

REQUEST FOR PROPOSAL FOR THE SUPPLY, IMPLEMENT, MAINTAIN AND SUPPORT OF THE FINANCIAL MANAGEMENT SYSTEM FOR 9 CET COLLEGES FOR A PERIOD OF 60 MONTHS (5 YEARS).

1. PURPOSE

Gauteng CET College wishes to appoint a suitable and accredited service provider for the Supply, Installation, Maintain and Support of the Financial Management System, for a period of 3 years renewable for an additional two years.

2. BACKGROUND

The 2013 White Paper for Post-School Education and Training provides for the establishment of community education and training colleges that targets post-school youth and adults who wish to raise the base for further learning, improve their skills for employability and/or progression to opportunities in the TVET colleges and university education.

Nine community colleges, one in each province, have been established and include the incorporation of 3,279 adult education and training centres.

The Community Education and Training (CET) Colleges came into existence on 1 April 2015 when the Public Adult Learning Centres (PALCs) migrated from the Provincial Education Departments (PEDs) to the Department of Higher Education and Training (DHET). The PALCs became the Community Learning Centres (CLCs) and were merged under the CET Colleges.

The mandate of the Colleges is to provide quality and relevant Education and Training programmes for youth and adults to improve their livelihoods. The CET Colleges, through the CLCs, offer programmes that will ensure that students attain skills that will enable them to either find employment or establish their own enterprises which are Community needs based.

These colleges are a new type of institution catering initially mainly for those who do not qualify for admission to TVET colleges or universities. Government has committed to increase youth and adult involvement in the community education and training to one million by 2030.

These colleges will target post-school youth and adults who wish to raise the base for further learning, improve their skills for employability and/or progression to opportunities in the TVET colleges and university education.

In essence, community education and training will offer programmes that contribute to improving community cohesion and social capital, and responsive to the geographic and sectoral needs and challenges.

There is a policy from the provision of formal literacy and numeracy to a diversified programme mix which includes formal qualification, occupational qualifications and part qualifications and skills through the establishment of networks



and partnerships with community-based organisations (CBOs), non-governmental organisations (NGOs), as well as faith-based organizations (FBOs).

Community education colleges have already implemented Microsoft D365 for Finance.

The successful service provider must be able to implement modules similar to the D365 modules:

CRM Customer Service:

D365 CRM Modules include Customer Service, Complaints and queries and Marketing.

D365 Customer Services will manage the customer/stakeholder and must be able to feed the data on SharePoint. CRM must be able to be in the position to integrate with the colleges website, receive data from contact us page and tracks contact us email for query management.

Talent:

D365 Talent Modules include: Business processes, Employee development, Employee Self-service, Leave and absence, Onboard, Organizational Administration, People, Personnel management, and Performance Development. All these modules are used by Human Capital Department and Learning & Development Department to enable their daily activities. We are currently not using HR Compliance, HR Employees and onboarding and performance management. D365 Talent manages employee data and feeds that data to Finance module and the external Payroll and Performance Management system of each college which.

F&O:

D365 F&O Modules include: Asset management, Audit workbench, Budgeting, Cash and bank management, Common, Consolidations, Cost accounting, Cost management, Credit and collections, Expense management, Fixed assets, General ledger, Human resources, Master planning, Organization administration, Payroll, Procurement and sourcing, Product information management, Purchase ledger, Questionnaire, Sales and marketing, Service management, Stock management, System administration, and Vendor management . All these modules are used by Finance and procurement departments to enable their day to day activities.

D365 F&O manages all financial transactions and sends data to the Bank. Finance module should be integrated to use data it receives from:

- Procurement and for vendor creation.
- Treasury (central supplier database)
- Bank (bank statement)
- Payroll systems (payroll transactions)
- Draft Worx or Case ware

The system should be integrated with SharePoint Online which can be used for Documents and Records Management.

The business area scope includes the below divisions and departments:

- I. Corporate Services
 - Human Capital Department Learning & Development Department



- Customer Relations Management Department
- Marketing Department

II. Finance Division

- Finance Department
- Procurement Department

III. Head Office

- Compliance management

3. SCOPE OF PROJECT

The following services form part of the required maintenance and support to ensure that the system continues functioning effectively and optimally, in line with service level standards:

Proactive Services:

- Provide quarterly software health checks as part of maintenance.
- Ensure and maintain high systems availability.
- Installing software upgrades and security patches for the supplied versions as and when available by Microsoft in consultation with management.
- Recommend new products or add-on modules to the system to ensure that the colleges are functioning effectively and efficiently.
- Ensure that the system automates routine tasks and is able to produce exemption reports to facilitate compliance with laws and regulations.

Reactive Services:

- Ensuring System upgrades and updates are successfully implemented.
- Resolve incidents logged as per the SLA in place.
- Provide Break-fix Services when system defects are logged.
- Software Enhancements – enhancements that result in improved performance, reliability, and usability in a changing environment.
- Provide Client Administrative Functions.
- Software Documentation upkeep during enhancement.
- Provide internal control documentation.

- Modifications to the system where there are errors occurring during operational processing, diagnosis is performed, and errors resolved accordingly.
- Provide Integration support for any new application introduced by the colleges.
- Training of users and application administrators and provide skills transfer to the system administrators.
- Provide end-user manuals and updates to the existing manuals as a result of system change requests.

4. SPECIFIC USER REQUIREMENTS

Section	User expectations
Financial Management Incl: Chart of Accounts Budgeting Module Recording and Report	The system must be able to do all accounting transactions i.e. (accounting for invoices, credit note, debit note, etc.)
	Control Accounts must always agree to sub-ledgers; exception reports on deviations
	Updatable SCOA's, 1. Income, Expenditure, Asset, Liabilities, etc.
	Uploading/ processing journal Entries
	upload journals on CSV
	Posting of journal entries
	System should be able to process bank feeds
	The system should have at minimum the following modules for Financial Accounting and Cost and Management Accounting
	System should be able to send remittance advices directly to supplier's/service providers
	General Graphs and other illustrations for users using PowerBI or Tableau
	Financial reports per centre and operating unit
	Budget vs Actual Reports with accompanying visualisations
	Interpret final trial balance to financial statement format
	Capture budgets and forecasts
	Reports of all transactions such as (Budget variances, Reconciliations, Trial Balance,



Section	User expectations
	Age Analysis, General Ledger per business unit)
	Produce consolidated management accounts as well as for each business units and functions
	Management accounts should entail comparison of actual expenditure to budgeted/project expenditure for current period (one month only), year to date period and also forecast period
	Produce variances in values and percentage form
	Option to upload Excel or CSV files for journal entries, budgets and forecasts.
	Export financial reports (general ledger (GL) dump, trail balance, etc.) in excel or CSV file
	Drill down trial balance items to GL, to sub GL and to journal entries
	System should disallow processing of transactions (budgets, journal entries, etc.) in a closed off period
	Closed off period should only be opened upon special request by a relevant person
	System to only allow processing of balancing transactions
	Trial balance should balance
	Exception reports on unbalancing transactions
	General Ledger, All sub-ledgers, Accounts Payable, Accounts Receivable, Purchase Orders, Vendor relationship/Workflow and
	Cashbook and Bank reconciliation win the system
	Provide for SQL
Payroll Management	System must be able Provide Reports such as:-
	Monthly Declaration (EMP201) & PAYE
	Reconciliation (EMP501)
	Declaration to Department of Labour (UIF)
	Leave days Management



Section	User expectations
	Multiple pay cycles
	Load Detailed Personnel Information
	IRP5 / IT3(a)
	Payslip Generation
	Employment History /Audit Trail
	Financial Journals and Payments
	SARS to be integrated with the system.
	The system to be integrated with the bank.
	Update tax tables (rates) or as when SARS updates the tax tables
Asset Management	Procurement of an assets and update asset register immediately after procurement.
	Generate asset barcode, location and update assets information such as conditions, useful life, location, custodian and etc)
	GRAP compliant asset register as required by the relevant standards
	Grouping of assets as per the asset management policy of Colleges
	Upload of historical assets of the institution
	Upload multiple (bulk) donated assets via format such as CSV and other format.
	Load asset useful life and updated useful life in line with GRAP Standards
	Generate many assets report as required by relevant standards.
	Be able to generate inventory register as required by relevant standards
	Be able to run depreciation at any time (e.g daily, Monthly and yearly)
	Be able to process asset journals
	Accommodate the use of different depreciation methods, ability to apportion the depreciation using days, months, years and consumptions
	Assets reconciliation with the general ledger
	Assets reconciliation to agree to the general ledger (integration of the fixed asset and



Section	User expectations
	GL)
	Asset tracking report, this report will be used to do asset verification. This is the report without transactions
	Assets Tracking report by user
	Asset register report outlining the following: location, user, barcode/serial number, depreciation amount, useful life remaining and carrying value
	Disposal of assets and types of disposal (Scrap, sold, donation, auctioned and etc)
	System which will be easily integrated with other system and user friendly system customised to CETC sector
Supply Chain Management	Add new vendors and updating information as and when required linked to the website
	Accommodate compliance requirements: BBBEE and Tax
	Automation of SCM processes (vendor registration, RFQ)
	Verify vendor banking details via CSD or SARS
	Supplier database which meets the minimum standards of a database
	The users must be able to query data on the database
	Specify service types for each vendor
	Produce database reports (service types, ownership, BBBEE, etc.)
	Assign user rights for segregation of duties
	Upload supplier catalogues for goods and services
	Procurement
	Tender Bid Management – Log RFP request, update them after every milestone, upload tender documents and extract reports of open and closed tenders
	Log RFQ requests
	Closed open calls once quotations have been received
	Attach documents/quotes received (system to have enough space to accommodate documents/quotes received)



Section	User expectations
	Log; approve requisitions and orders as per delegation of authority
	Track and escalate open RFQ calls as per turnaround time provided
	The system to have sufficient space for the specification to be fully captured
	Import and export documents in PDF, CSV, Excel, JPG, etc.
	Extract reports on CSV
	Capture purchase requisitions
	Capture approvals as per delegations of authority
	System controls of approval from 1st approver at all times
	System to send alerts once approvals have been made
	System to generate professional purchase orders on PDF
	System to send alerts on purchase order approved
	Functionality to send PO to service providers
	System to provide open orders reports and other procurement reports which support decision making as and when needed.
	Contract Management
	Capture and Maintain SLA
	Scan an document imaging functionality
	Send out alerts on contract expiry dates
	Generate reports in excel format
	Link the module to the supplier database
Other Requirements	Integrated reports understandable reports
	Integrate payments with bank system for direct EFT
	Develop automated reports and dashboards per module
	The solution must be web based



Section	User expectations
	All modules to integrate with each other
	System should integrate with other systems through API (Application programming interface)
	System processes should be automated through the use of workflows
	A training plan and training to be conducted for super users and system administrators
	End user training plan and training for all modules Import and Export to excel, CSV, PDF etc.
	Segregation of duties/delegation of authority
	The system should be hosted as software as a service (SAAS) (within the borders of South Africa
	Maintenance and Support Service
	System to comply with POPIA (Protection of Personal Information Act)
	Implementation lead time of 1 months
	Accurate and complete data migration
	Human resources analytics
	Must ensure the confidentiality, integrity and availability of information during processing, at rest and during transmission.
	Must provide audit logs recording critical employee activities, exceptions and information security events
	Access must be managed via the active directory single sign on.
	Must provide role based access to reduce the risk of unauthorised, unintentional or intentional view of information assets
	Must provide and implement software patches or updates for the software to protect against malicious codes.
	The system should provide disaster recovery capabilities.
	Regular maintenance which includes the necessary software patches.
	The solution must display appropriate error alerts.



Section	User expectations
	Extract data from various sources including excel, pdf, etc.;
	Develop automated reports and dashboards per module;
	A skill transfer plan and skill transfer for the system administrators and super users A training plan and training to be conducted for super users and system administrators
	End user training plan and training for all modules

The service provider to provide support and maintenance based on the following resolution times of Service Level Agreement (SLA):

Service response time:

Priority	Definition	Resolution Time
Priority 1 - Critical	Non-availability of a critical system by all users that cannot function for which an alternative solution or workaround is not immediately available. - Entire application system down - Loss of critical application function	4 hours
Priority 2 - High	Means a severe performance degradation or impaired functionality of a critical function. - Intermittent problems that have a high business impact A critical business process has stopped which could lead to serious business impact.	6 hours
Priority 3 - Medium	Non-critical function is unavailable, unusable, or difficult to use with some operational impact, but no immediate impact on service delivery and an alternate bypass is available. Business process or IT services are hindered by any system errors, but workaround measures are in place to ensure business continuity.	8 hours
Priority 4 - Low	Affects only a few users. The non-critical function is unavailable, usable, or difficult to use with some operational impact but no immediate impact on service delivery and an alternate bypass is available. Cosmetic incidents that are not critical for resolutions nor	12 to 24 hours

STAGE 1 – TECHNICAL EVALUATION: MANDATORY TECHNICAL REQUIREMENTS

The bidder must indicate its compliance / non-compliance to the requirements and should substantiate its response in the space provided below. If more space is required to justify compliance, please ensure that

the substantiation is clearly cross-referenced to the relevant requirement. The Mandatory Technical Requirements are as follows:

Mandatory Requirement		Comply	Not Comply
1	The bidder must be accredited or licensed to maintain and support The bidder must submit documentary proof Software Vendor confirming that the bidder is an accredited or licensed product supplier.		
Substantiation:			
2	Resolution times. The bidder must indicate its compliance / non-compliance to the below CETC'S resolution times. Priority 1 – Critical = 4 hours Priority 2 – High = 6 hours Priority 3 – Medium = 8 hours Priority 4 - Low = 12 to 24 hours		
Substantiation:			

Note: Failure to comply with Mandatory Requirements may lead to the bidder being disqualified, and not considered for further evaluation on the Other Technical Requirements.

STAGE 2 – TECHNICAL EVALUATION: FUNCTIONALITY CRITERIA

Only bidders that have met the pre-qualification criteria will be evaluated for functional evaluation. An assessment of Functionality will be based on the evaluation criteria noted in the table below. Each of the evaluation criteria in the table will carry a weighting as indicated,

Bidders will be required to achieve a minimum score **80% (or 80 points)**, for Functionality in order to qualify to proceed to next phase, which will be presentation. To ensure simplification, the total functionality score will be rated out of a total of 100. Price and Preference Points System evaluation.

The allocation of points for the evaluation of quality is set out in the table below.



Item	Criteria	Points
1	Support and maintenance: The bidder must define and describe their maintenance and support process model in line with ITIL Framework. This should cover Request fulfilment, Incident Management Process and Change Management process. (30) • Process for support and system maintenance is detailed and indicate understanding of all support process for request fulfilment, incident management and change management process (30) • Process for support and maintenance is inadequate, only 2 processes has been defined/provided (21) • Only 1 process has been defined /provided (10) • Process for support and maintenance is not provided (0)	30
2	Skills and experience of the Support Team:	40
Item	Criteria	Points
	The bidder's proposed team must have experience in providing full scope of maintenance and support services, The bidder must provide comprehensive CV(s) of the Support Team demonstrating due experience in maintenance and support of each MS Dynamics 365 module i.e. F&O, Talent and Customer Engagement (CE). The team should at minimum include 1. A Developers, Data Analyst, and a CA(SA) as the project leaders. • ≥5 years of experience in maintenance and support of the relevant module(s) (40 points). • 3-4 years of experience in maintenance and support of the relevant module(s) (28 points). • Less than 2 years of experience in maintenance and support of the relevant module(s) (10 points). • No experience demonstrated (0 points).	
3	Reference Letters The bidder must provide relevant reference letters from clients. Letters must be on the client's letterhead, clearly indicate the modules supported, signed and include a contactable telephone number. • 3 and above reference letters (30 points) • 2 reference letters (21 points) • 1 reference letters (10 points) • 0 reference letters (0 points)	30
Total		100



SBD 2

TAX CLEARANCE CERTIFICATE REQUIREMENTS

It is a condition of bid that the taxes of the successful bidder must be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.

1. In order to meet this requirement, bidders are required to complete in full form TCC 001 "Application for a Tax Clearance Certificate" and submit it to any SARS branch office nationally. The "Tax Clearance Certificate" requirements are also applicable to foreign bidders / individuals who wish to submit bids.
 2. SARS will then furnish the bidder with a Tax Clearance Certificate that will be valid for a period of 1 (one) year from the date of approval.
 3. The original Tax Clearance Certificate must be submitted together with the bid. Failure to submit the original and valid Tax Clearance Certificate will result in the invalidation of the bid. Certified copies of the Tax Clearance Certificate will not be acceptable.
 4. In bids where Consortia / Joint Ventures / Sub-contractors are involved, each party must submit a separate Tax Clearance Certificate.
 5. Copies of the TCC 001 "Application for a Tax Clearance Certificate" form are available from any SARS branch office nationally or on the website www.sars.gov.za.
1. Applications for the Tax Clearance Certificates may also be made via eFiling. In order to use this provision, taxpayers will need to register with SARS as eFilers through the website **www.sars.gov.za**.



PRICING SCHEDULE – FIRM PRICES (PURCHASES)

NOTE: ONLY FIRM PRICES WILL BE ACCEPTED. NON-FIRM PRICES (INCLUDING PRICES SUBJECT TO RATES OF EXCHANGE VARIATIONS) WILL NOT BE CONSIDERED

IN CASES WHERE DIFFERENT DELIVERY POINTS INFLUENCE THE PRICING, A SEPARATE PRICING SCHEDULE MUST BE SUBMITTED FOR EACH DELIVERY POINT

Name of bidder..... Bid number.....
Closing Time 11:00AM

OFFER TO BE VALID FOR.....DAYS FROM THE CLOSING DATE OF BID.

Year	Schedule of Services				Total-VAT Inclusive
	Annual License or subscription	Implementation and Configuration	Training and Skills transfer	Support Services	
Year 1-VAT Inclusive					
Year 2-VAT Inclusive					
Year 3-VAT Inclusive					
Year 4-VAT Inclusive					
Year 5-VAT Inclusive					

TOTAL PRICE THAT WILL BE USED FOR EVALUATION PURPOSES



Total must be transferred to SBD 1, failure to do so will lead to the bid being disqualified. Pricing Instructions: The bid must be inclusive of all costs including i.e. delivery fees, labor and disbursements. The training cost for year 2 and 3, will be as when needed.

1.1. By signing the Price Schedule, a bidder warrants that:

- 1.1.1. the relevant quotation is correct;
- 1.1.2. the rates(s) and prices(s) quoted cover all the work/item(s) specified in the quotation document;
- 1.1.3. the rate(s) and price(s) cover all the supplier's obligations under a resulting contract, including all disbursements;
- 1.1.4. any mistakes and/or omissions regarding rate(s) and price(s) or errors in calculation shall be at the supplier's risk.
- 1.1.5. The total price quoted must be VAT inclusive

SIGNED at _____ (place) on the _____ day of _____, 20_____.

Signature

Date

Print name: _____

On behalf of the Supplier (duly authorised)



SBD 4

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state*, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest, where-
 - the bidder is employed by the state; and/or
 - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.

2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

2.1 Full Name of bidder or his or her representative:

.....

2.2 Identity Number:

.....

2.3 Position occupied in the Company (director, shareholder etc):

.....

2.4 Company Registration Number:

.....

2.5 Tax Reference Number:

.....

2.6 VAT Registration Number:

.....

* "State" means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act,



- 1999 (Act No. 1 of 1999);
(b) any municipality or municipal entity;
(c) provincial legislature;
(d) national Assembly or the national Council of provinces; or
(e) Parliament.
- 2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**
- 2.7.1 If so, furnish the following particulars:
- Name of person / director / shareholder/ member:
.....
Name of state institution to which the person is connected:
.....
Position occupied in the state institution:
.....
Any other particulars:
.....
.....
- 2.8 Did you or your spouse, or any of the company's directors / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**
- 2.8.1 If so, furnish particulars:
.....
.....
- 2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**
- 2.9.1 If so, furnish particulars.
.....
.....
.....
- 2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend,

other) between the bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?

2.10.1 If so, furnish particulars.

.....
.....
.....

2.11 Do you or any of the directors /shareholders/ members of the company have any interest in any other related companies whether or not they are bidding for this contract?

YES / NO

2.11.1 If so, furnish particulars:

.....
.....
.....
.....

DECLARATION

I, THE UNDERSIGNED
(NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2.1 TO 2.11.1
ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME IN TERMS OF PARAGRAPH 23
OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION
PROVE TO BE FALSE.

.....	
Signature	Date
.....	
Position	Name of bidder

GAUTENG CET COLLEGE
PREFERENCE POINTS CLAIM FORM IN TERMS OF THE
PREFERENTIAL PROCUREMENT REGULATIONS 2022

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for specific goals

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2022 AS WELL AS THE APPLICABLE PROVISIONS OF THE SUPPLY CHAIN MANAGEMENT POLICY OF THE COLLEGE.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2 The value of this bid is estimated not to exceed R50 000 000 (all applicable taxes included) and, therefore, the **80/20** system shall be applicable.

1.3 Preference points for this bid shall be awarded for:

- (a) Price; and
- (b) Specific goals.

1.3.1 The maximum points for this bid are allocated as follows:

	POINTS
1.3.1.1 PRICE	80
1.3.1.2 SPECIFIC GOALS	20
Total points for Price and Specific goals	100

1.4 The purchaser, being the College of or any agency, body or the like established by it, reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

2.1 “**all applicable taxes**” includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;

2.2 **Historically Disadvantaged Individual” (HDI)** is defined as a South African citizen – 1) who, due to the apartheid policy that was in place, had no voting rights in the national elections prior to the introduction of

the Constitution of the Republic of South Africa, 1983 (Act No. 100 of 1983) or the Constitution of the Republic of South Africa, 1993 (Act No. 200 of 1993) ("the interim Constitution"), and/or 2) who is a woman, and/or 3) who has a disability With the understanding that any person who received South African citizenship on or before the introduction of the interim Constitution, will not be deemed to be HDI

- 2.3 HDI equity ownership** refers to the percentage of a partnership or business that is owned by individuals, or in the case of a company, the percentage of shares which is owned by individuals who are actively involved in the management decisions and day to day operational activities of the company or business and who exercises control in the business in relation to their ownership at the close of tender. Where individuals are not actively involved in the management and day to day operational activities of the business and who does not exercise control in relation to the percentage of their ownership, Equity ownership points cannot be awarded
- 2.4 "Disability"** refers to a person with a permanent physical disability, mental disability, awareness disability, which leads to confinement or disability, or the inability to perform bodily functions in the manner or within the capacity of a normal person, as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act
- 2.5 Black people who are youth** as defined in the National Youth Commission Act of 1996
- 2.6 "comparative price"** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- 2.7 "A woman"** refers to a female person who is a South African citizen
- 2.8 "contract"** means the agreement that results from the acceptance of a bid by an organ of state;
- 2.9 "EME"** means any enterprise with an annual total revenue of R5 million or less;
- 2.10 "Firm price"** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- 2.11 "functionality"** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- 2.12 "non-firm prices"** means all prices other than "firm" prices;
- 2.13 "person"** includes a juristic person;
- 2.14 "rand value"** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- 2.15 "sub-contract"** means the primary contractor's assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- 2.16 "bid"** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;

3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts.
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference point for specific goals.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for specific goals, the successful bid will be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

4. POINTS AWARDED FOR PRICE

4.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

$$\begin{array}{ccc}
 \mathbf{80/20} & \mathbf{or} & \mathbf{90/10} \\
 P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) & \mathbf{or} & P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)
 \end{array}$$

Where

P_s = Points scored for comparative price of bid under consideration

P_t = Comparative price of bid under consideration

$P_{\min}$ = Comparative price of lowest acceptable bid

5. Points awarded for Specific goals

- 5.1 In terms of Regulation 4(2); 5(2); 6(2) and 7(2) of the Preferential Procurement Regulations, preference points must be awarded for specific goals stated in the tender. For the purposes of this tender the tenderer will be allocated points based on the goals stated in table below as may be supported by proof/documentation stated in the conditions of this tender:

SPECIFIC GOAL POINTS BREAKDOWN

SPECIFIC GOALS	PREFERENCE POINTS ALLOCATED OUT OF 20	BIDDERS SCORING
Black ownership:	4	
Women ownership:	4	
Youth ownership:	4	
Disability:	4	
Locality	4	
TOTAL	20	

6. DECLARATION WITH REGARD TO COMPANY/FIRM

6.1 Name of company/firm : _____

6.2 VAT registration number : _____

6.3 Company registration number _____

6.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
 - ☐ One person business/sole propriety
 - ☐ Close corporation
 - ☐ Company
 - ☐ (Pty) Limited
- (TICK APPLICABLE BOX)

6.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

6.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
 - ☐ Supplier
 - ☐ Other service providers, e.g. transporter, etc.
- (TICK APPLICABLE BOX)

6.7 TOTAL NUMBER OF YEARS THE COMPANY HAS BEEN IN BUSINESS? _____

6.8 I/we, the undersigned, who is/are duly authorized to do so on behalf of the company/firm, certify that the points claimed, qualifies the company/ firm for the preference(s) shown and I/we acknowledge that:

- (i) The information furnished is true and correct;
- (ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form.
- (iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 5, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;
- (iv) If the specific goals points has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser, being the Gauteng CET College , may, in addition to any other remedy it may have -

- (a) disqualify the person from the bidding process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the audi alteram partem (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

WITNESSES:

- 1. _____
- 2. _____

SIGNATURE(S) OF BIDDER
--

DATE: ____/____/20____

ADDRESS: _____

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

1. This Standard Bidding Document must form part of all bids invited.
2. It serves as a declaration to be used by institutions in ensuring that, when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
3. The bid of any bidder may be disregarded if that bidder or any of its directors have-
 - a. abused the institution's supply chain management system;
 - b. committed fraud or any other improper conduct in relation to such system; or
 - c. failed to perform on any previous contract.
4. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the audi alteram partem rule was applied). The Database of Restricted Suppliers now resides on the National Treasury's website (www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.	Yes ☐	No ☐
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes ☐	No ☐
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐
4.3.1	If so, furnish particulars:		

4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐
4.4.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME) _____
 CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

Signature

_____ 20_____
Date

Position

Name of Bidder

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.

This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.

In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

Bid No _____ Description _____

(Bid Number and Description)

in response to the invitation for the bid made by Gauteng CET College , do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: _____ that:

(Name of Bidder)

I have read and I understand the contents of this Certificate;

I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;

I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;

Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;

For the purposes of this Certificate and the accompanying bid, I understand that the word “competitor” shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:

- (a) has been requested to submit a bid in response to this bid invitation;
- (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
- (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder.

The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.

In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:

prices;

geographical area where product or service will be rendered (market allocation)

- (c) methods, factors or formulas used to calculate prices;
- (d) the intention or decision to submit or not to submit, a bid;
- (e) the submission of a bid which does not meet the specifications and conditions of the bid;
- or
- (f) bidding with the intention not to win the bid.

In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.

The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....	
Signature	Date
.....	
Position	Name of Bidder

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

³ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

GAUTENG CET COLLEGE

CONTRACT CONDITIONS

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to municipal bids, contracts and orders;
- (ii) To ensure that prospective tenderers or bidders are familiar with the rights and obligations of all parties involved in doing business with the College;
- (iii) To set out the conditions applicable to all tenders or bids submitted to the college in response to an invitation to submit a tender, bid or quotation, as may be applicable:

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean the feminine and neuter.

- Any specification issued by the college for the supply of goods or services is subject to the relevant terms and conditions contained herein.
- These General Conditions of Contract will form part of all bid documents.
- Special Conditions of Contract (SCC) relevant to a specific bid, will be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

A. CONDITIONS APPLYING TO ALL SPECIFICATIONS

All specifications for goods and services to be procured by the college shall, except where otherwise stated in any specific specification, be subject to the following requirements and conditions:

1. Functionality

Where functionality is utilized as an evaluation criterion, no tender will be regarded as an acceptable tender if it fails to achieve the minimum stipulated qualifying score for functionality and only tenders that have achieved this score will be evaluated further in terms of the preference point systems referred to below.

2. 80/20 Preference Point System

2.1 The under-mentioned preference points evaluation system for the acquisition of services, works or goods up to a Rand value of R50 000 000. (all applicable taxes included) will be applied with regard to the evaluation of tenders falling within this threshold amount:

- (i) the following formula will be used to calculate the points for price in respect of tenders (including price quotations) with a Rand value equal to, or above R 30 000 and up to a Rand value of R50 000 000. (all applicable taxes included)

$$Ps = 80 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where

Ps = Points scored for comparative price of tender or offer

under consideration;

Pt = Comparative price of tender or offer under consideration; and

Pmin = Comparative price of lowest acceptable tender or offer.

- (ii) Subject to subparagraph (iii), points must be awarded to a tenderer for attaining the specific goals in accordance with the following table:

SPECIFIC GOAL POINTS BREAKDOWN

SPECIFIC GOALS	PREFERENCE POINTS ALLOCATED OUT OF 20	DOCUMENTATION TO BE SUBMITTED BY BIDDERS TO VALIDATE THEIR CLAIM FOR POINTS
Black ownership: An EME or QSE which is at least 51% owned by black people	4	- CIPC (Company registration) - CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Women ownership: An EME or QSE which is at least 51% owned by women	4	- CIPC (Company registration) - CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Youth ownership: An EME or QSE which is at least 51% owned by youth (up to 35 years of age)	4	- CIPC (Company registration) - CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Disability: An EME or QSE which is at least 51% owned by people with disability	4	- CIPC (Company registration) - CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points) - Medical certificate - SASSA registration or confirmation of disability from a relevant authority.
Locality: Located in the Eastern Cape	4	- Municipal rates account OR - Letter from councilor confirming residence or Lease Agreement
Non – submissions	0	No points will be claimed if the bidders failed to submit the required documents

- (iii) a maximum of 20 points may be allocated under subparagraph (ii);

- (iv) the points scored by a tenderer in respect of specific goals contemplated in subparagraph (ii) must be added to the points scored for price as calculated in accordance with subparagraph (i).

2.2 In the event of all tenders received exceeding the estimated Rand value of R50 000 000.00, the tender invitation will be cancelled, provided that, if one or more of the acceptable tenders received are within the aforesaid threshold of R50 000 000.00, all tenders received will be evaluated in accordance with this preference point system.

2.2 The B-BBEE status level attained by a tenderer will be used to determine the number of points contemplated in subparagraph 2.1 (ii) above.

3. 90/10 Preference Point System

3.1 The under-mentioned preference points evaluation system for the acquisition of services, works or goods with a Rand value above R50 000 000. (all applicable taxes included) will be applied with regard to the evaluation of tenders above this threshold amount:

- (i) the following formula will be used to calculate the points for price in respect of tenders with a Rand value above R50 000 000. (all applicable taxes included):

$$Ps = 90 \left(1 - \frac{Pt - Pmin}{Pmin} \right)$$

Where

Ps = Points scored for comparative price of tender or offer under consideration;

Pt = Comparative price of tender or offer under consideration; and

Pmin = Comparative price of lowest acceptable tender or offer.

- (ii) subject to subparagraph (iii), points must be awarded to a tenderer for attaining the specific goals in accordance with the following table:

SPECIFIC GOAL POINTS BREAKDOWN

SPECIFIC GOALS	PREFERENCE POINTS ALLOCATED OUT OF 20	DOCUMENTATION TO BE SUBMITTED BY BIDDERS TO VALIDATE THEIR CLAIM FOR POINTS
Black ownership: An EME or QSE which is at least 51% owned by black people	4	- CIPC (Company registration) - CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Women ownership: An EME or QSE which is at least 51% owned by women	4	CIPC (Company registration)

		CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Youth ownership: An EME or QSE which is at least 51% owned by youth (up to 35 years of age)	4	- CIPC (Company registration) - CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points)
Disability: An EME or QSE which is at least 51% owned by people with disability	4	- CIPC (Company registration) - CSD report clearly indicating the percentage shareholding of all owners, (the ownership status of the 2 documents must correspond in order to be awarded points) - Medical certificate - SASSA registration or confirmation of disability from a relevant authority.
Locality: Located in South Africa	4	- Municipal rates account OR - Letter from councilor confirming residence or Lease Agreement
Non – submissions	0	No points will be claimed if the bidders failed to submit the required documents

(iii) a maximum of 10 points may be allocated under subparagraph (ii);

(iv) the points scored by a tenderer in respect of the specific goals contemplated in subparagraph (ii) must be added to the points scored for price as calculated in accordance with subparagraph (i).

3.2 In the event of all tenders received being equal to, or below R50 000 000, the invitation to tender will be withdrawn and all tenders received shall be regarded as having been cancelled provided that, If one or more of the acceptable tenders received are above the prescribed threshold of R50 000 000, all tenders received will be evaluated in accordance with this preference point system.

3.3 The specific goals attained by a tenderer must be used to determine the number of points contemplated in subparagraph 3.1 (ii) above.

4. Local Production

4.1 Where, in the case of tenders in designated sectors, local production and content is of critical importance, it shall be a specific condition of tender that only locally produced goods, services or works or locally manufactured goods, with a stipulated minimum threshold for local production and content, will be considered.

4.2 The exchange rate to be used for the calculation of local content or local production referred to in subparagraph 1 will be the exchange rate published by the South African Reserve Bank at 12:00 on the date, one week (7 calendar days) prior to the closing date of the invited bid;

4.3 Only the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:201x will be used to calculate local content in accordance with the following formula:

$$LC = 1 - \frac{X}{Y} \times 100$$

Where

x imported content

y bid price excluding value added tax (VAT)

and the prices referred to in the determination of x will be converted to Rand (ZAR) by using the exchange rate published by the South African Reserve Bank at 12:00 on the date, one week (7 calendar days) prior to the closing date of the bid;

4.4 Form SBD 6.2 (Declaration Certificate for Local Content) duly completed and signed must be submitted with the bid documentation;

4.4 The college reserves the right to verify the accuracy of the rates of exchange quoted by a bidder in paragraph 4.1 of the aforesaid Certificate.

4.5 The accounting officer of the college reserves the right to include a specific bidding condition that only locally produced goods, services or works or locally manufactured goods with a stipulated minimum threshold for local production and content, will be considered on condition that any such prescript and threshold(s) are in accordance with the specific directives issued for this purpose by the National Treasury in consultation with the Department of Trade and Industry and, in such event, the requirements referred to in subparagraphs 4.2 to 4.4 above must be complied with by a tenderer.

4.6 A two- stage tendering process may be followed for tenders referred to in subparagraphs 4.1 and 4.5 and, in such event, the first stage will involve functionality and minimum threshold for local production and content and the second stage price and specific goals with the possibility of price negotiations only with the short listed tenderers.

5. SPECIFIC GOALS

Where a bidder is required to attain a specified specific goal or goals other than contracting with historically disadvantaged persons and implementing Reconstruction and Development Programmes in order to qualify for the award of a contract, such bidder must provide the required information to enable the bid evaluation committee to determine whether or not such specific goal or goals will be attained by the bidder concerned in the event of him/her or it being awarded the relevant contract.

6. Sub-contracting

6.2 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher specific goals than the person concerned, unless the contract is sub-contracted to an exempted micro enterprise that has the capability and ability to execute the relevant sub-contract.

6.3 A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.

7. Miscellaneous conditions

7.1 Only tenderers who have completed and signed the declaration part of any tender documentation will be considered when tenders are evaluated.

7.2 When comparative prices must be calculated, any discounts which have been offered unconditionally will be taken into account.

7.3 A discount which has been offered conditionally will, despite not being taken into account for evaluation purposes, be implemented when payment to a tenderer in respect of an accepted tender is affected.

7.4 Bid evaluation points scored will be rounded off to the nearest 2 decimal places.

7.5 Equal point scoring:

- (i) In the event that two or more tenders score equal total points, the successful tender will be the one scoring the highest number of preference points for specific goals;
- (ii) However, when functionality is part of the evaluation process and two or more tenders have scored equal points including equal preference points for specific goals, the successful tender will be the one scoring the highest score for functionality;
- (iii) Should two or more tenders be equal in all respects, the award shall be decided by the drawing of lots in accordance with the applicable regulations of the College.

8. Cancelling a tender

8.1 The accounting officer may, prior to the award of a tender, by notice in the media in which the original tender was advertised, cancel such tender if, due to changed circumstances, there is no longer a need for the services, works or goods requested or if funds are no longer available to cover the total envisaged expenditure or if no acceptable tenders are received.

9. Declarations

A tenderer must -

- (a) Declare that the information provided in a tender document is true and correct;
- (b) Declare that the signatory to a tender document is duly authorized; and
- (c) Undertake to submit documentary proof regarding any tendering issue when required to the satisfaction of the College.

10. Remedies

10.1 A tenderer who submits a tender acknowledges thereby that:

- (a) The college will, upon detecting that the specific goals of contribution has been claimed or obtained by a tenderer on a fraudulent basis or any of the conditions of a contract awarded to such tenderer or contractor have not been fulfilled, act against such tenderer or person awarded the ensuing contract.

- (b) The college may, in addition to any other remedy it may have against the person contemplated in subparagraph (a)-
 - (i) disqualify the person concerned from participating in any future tender process with the College;
 - (ii) Recover all costs, losses or damages it has incurred or suffered as a result of that person's conduct;
 - (iii) cancel the relevant contract and claim any damages which it has suffered as a result of having to make less favorable arrangements due to such cancellation;
- (c) The college may restrict a tenderer or contractor, its shareholders and directors, or only the shareholders and directors, as the case may be, who acted on a fraudulent basis in connection with a tender, from obtaining business from the college for a period not exceeding 10 years, provided that, before exercising this right, the college shall give the persons or parties concerned an opportunity to make representations and be heard in defense of such contemplated action; and
- (d) The college may refer any fraudulent action on the part of a tenderer or contractor or any party aforesaid to the South African Police Services with a view to criminal prosecution.
- (e) Where a tenderer or contractor is restricted in terms of subparagraph (c), the accounting officer will forward the relevant details to National Treasury for inclusion in the Central Database of Restricted Suppliers.
- (f) The college will check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;
- (g) The college will reject any bid from a bidder -
 - (i) if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the College, or to any other college or municipal entity, are in arrears for more than three months; or
 - (ii) Who during the last five years has failed to perform satisfactorily on a previous contract with the college or any other organ of state after written notice was given to that bidder that performance was unsatisfactory;
- (e) The college will reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, committed a corrupt or fraudulent act in competing for the particular contract;
- (f) The college will cancel a contract awarded to a person if -
 - (i) such person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or
 - (ii) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and
- (g) The college will reject the bid of any bidder if that bidder or any of its directors -
 - (i) has abused the supply chain management system of the college or has committed any improper conduct in relation to such system;
 - (ii) has been convicted for fraud or corruption during the past five years;

- (ii) has willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years;
 - (iii) has been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004); and
 - (iv) who, in terms of any applicable law, is required to be possession of a current licence, registration certificate or authority to submit a bid in response to a bid invitation by the College.
- (h) The college will reject a bid from any bidder who failed to attend a compulsory site meeting or information session relative to a particular invitation to bid.

B. GENERAL CONDITIONS OF CONTRACT

TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information; inspection
6. Patent rights
7. Performance security
8. Inspections, tests and analysis
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Contract amendments
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Dumping and countervailing duties
25. Force Majeure
26. Termination for insolvency
27. Settlement of disputes
28. Limitation of liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. National Industrial Participation Programme (NIPP)
34. Prohibition of restrictive practices

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 “**Closing time**” means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 “**Contract**” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 “**Contract price**” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.

- 1.4 **"Corrupt practice"** means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
- 1.5 **"Countervailing duties"** are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
- 1.6 **"Country of origin"** means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 1.7 **"Day"** means calendar day.
- 1.8 **"Delivery"** means delivery in compliance of the conditions of the contract or order.
- 1.9 **"Delivery ex stock"** means immediate delivery directly from stock actually on hand.
- 1.10 **"Delivery into consignee's store or to his site"** means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
- 1.11 **"Dumping"** occurs when a private enterprise abroad markets its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
- 1.12 **"Force majeure"** means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 **"Fraudulent practice"** means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 **"GCC"** means the General Conditions of Contract.
- 1.15 **"Goods"** means all of the equipment, machinery and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 **"Imported content"** means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 **"Local content"** means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 **"Manufacture"** means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 **"Order"** means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 **"Project site,"** where applicable, means the place indicated in bidding documents.

- 1.21 **“Purchaser”** means the Gauteng CET College or any other agency or body on whose behalf it has been authorized to procure goods and services and includes the accounting officer of this college or his nominee.
- 1.22 **“Republic”** means the Republic of South Africa.
- 1.23 **“SCC”** means the Special Conditions of Contract.
- 1.24 **“Services”** means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 **“State”** includes the College;
- 1.26 **“Written” or “in writing”** means handwritten in ink or any form of electronic or mechanical writing.

2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable, a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the local press or accessed electronically or in hard copy form from the college upon payment of x any prescribed fee.

4. Standards

- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information and also inspection.

- 5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only insofar as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

- 5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

7. Performance security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

- 7.3 The performance security shall be denominated in the currency of the contract or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or

(b) a cashier's or certified cheque

- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.

- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should, at any stage during production or execution or on completion, be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the college or an organization acting on behalf of the College.

- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.

- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.

- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.

- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.

8.7 Any contract supplies may, on or after delivery, be inspected, tested or analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal, the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof or to act in terms of Clause 23 of GCC.

9. Packing

9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental services

13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
 - (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.
- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.
- 14. **Spare parts**
- 14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:
 - (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
 - (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.
- 15. **Warranty**
- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.
- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.
- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.
- 16. **Payment**
- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

- 16.2** The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.
- 16.3** Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an acceptable invoice or claim by the supplier.
- 16.4** Payment will be made in Rand unless otherwise stipulated in SCC.
- 17. Prices**
- 17.1** Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.
- 18. Contract amendments**
- 18.1** No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.
- 19. Assignment**
- 19.1** The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.
- 20. Subcontracts**
- 20.1** The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.
- 21. Delays in the supplier's performance**
- 21.1** Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2** If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.
- 21.3** No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.
- 21.4** The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.
- 21.5** Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer will, at the discretion of the Accounting Officer, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;

- (ii) the date of commencement of the restriction;
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

- 23.7** If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

- 24.1** When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase.

When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him

25. Force Majeure

- 25.1** Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2** If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

- 26.1** The purchaser may, at any time, terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

- 27.1** If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.

27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

27.5 Notwithstanding any reference to mediation and/or court proceedings herein:

(a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and

(b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;

(a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

(a) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing language

29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

30. Applicable law

30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.

31. Notices

31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice.

31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

32. Taxes and duties

32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.

- 32.2** A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3** No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid, the college must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
- 33. National Industrial Participation (NIP) Programme**
- 33.1** The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
- 34. Prohibition of Restrictive practices**
- 34.1** In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging).
- 34.2** If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.
- 34.3** If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

PAST EXPERIENCE

Bidders must furnish hereunder details of similar works/service, which they have satisfactorily completed in the past. The information shall include a description of the Works, the Contract value and name of Employer.

EMPLOYER /INSTITUTION NAME	NATURE OF WORK/ PROJECT NAME	AWARDED AMOUNT	ANTICIPATED / ACTUAL COMPLETION DATE	EMPLOYER CONTACT NO.

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DATE

.....

SIGNATURE OF BIDDER

PAST EXPERIENCE 2

Bidders must furnish hereunder details of similar works/service, which they have satisfactorily completed in the past. The information shall include a description of the Works, the Contract value and name of Employer.

CURRENT PROJECTS UNDERTAKEN <u>FOR GAUTENG CET COLLEGE</u>			
PROJECT NAME	AWARDED AMOUNT	CONTRACT START DATE	ANTICIPATED / ACTUAL COMPLETION DATE
TOTAL AMOUNT OF PROJECTS CURRENTLY UNDERTAKEN FOR GAUTENG CET COLLEGE			R

.....
DATE

.....
SIGNATURE OF BIDDER